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# UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF NEW JERSEY Caption in compliance with D.N.J. LBR 9004-2(c)

#### **BECKER LLC**

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Counsel for Eric R. Perkins, Chapter 7 Trustee:

Robert D. Towey, Esq.

Email: rtowey@becker.legal

In re:

J. SCROFANI CONSTRUCTION CORP.,

Debtor.

Chapter 7

Case No. 17-19984 (RG)

Honorable Rosemary Gambardella, U.S.B.J.

Order Filed on March 19, 2020

U.S. Bankruptcy Court

**District of New Jersey** 

by Clerk

Hearing Date: 3/17/20

# ORDER PURSUANT TO <u>11 U.S.C.</u> § 363 AND § 502 AND <u>FED. R. BANKR. P. 9019</u> (I) APPROVING SETTLEMENT AND FOR OTHER RELATED RELIEF

The relief set forth on the following pages numbered two (2) through five (5), be and is hereby **ORDERED**.

**DATED: March 19, 2020** 

Honorable Rosemary Gambardella United States Bankruptcy Judge Case 17-19984-RG Doc 182 Filed 03/25/20 Entered 03/26/20 00:32:53 Desc Imaged Certificate of Notice Page 2 of 7

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In re: J. Scrofani Construction Corp.

Case No.: 17-19984 (RG)

Caption: Order Pursuant to 11 U.S.C. § 363 and § 502 and Fed. R. Bankr. P. 9019 for

Approving Settlement and for Other Related Relief

**THIS MATTER** having come before the Court on the Motion filed by Eric R. Perkins, Chapter 7 Trustee (the "Chapter 7 Trustee" or "Trustee") of the Estate of J. Scrofani Construction Corp. (the "Debtor") for an Order approving settlement of the claims asserted by the Trustee against Hartz Mountain Industries, Inc. ("Hartz") pursuant to 11 U.S.C. §363 and § 502, Fed. R. Bankr. P. 9019 and granting such other and further relief as the Court may find just and proper under the circumstances (the "Motion"); and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); that notice of the Motion as it pertains to the entry of this Order was good and sufficient under the circumstances and that no other or further notice need be given with respect to entry of this Order; and the Court having reviewed the Motion and any objections thereto, and having heard the arguments of counsel in support of the relief requested at a hearing before the Court, if any; and it appearing that entry of this Order is in the best interest of the Debtor and the estate, any creditors and other stakeholders; and upon the Motion and the record of the Hearing; and after due deliberation and good cause appearing herein;

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In re: J. Scrofani Construction Corp.

Case No.: 17-19984 (RG)

Caption: Order Pursuant to 11 U.S.C. § 363 and § 502 and Fed. R. Bankr. P. 9019 for

Approving Settlement and for Other Related Relief

### IT IS FOUND AND DETERMINED THAT:

A. On May 15, 2017 (the "Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 7 of the United States Bankruptcy Code.

B. Thereafter, on May 16, 2017, the Office of the United States Trustee appointed Eric R. Perkins as the Chapter 7 Trustee for the Debtor's bankruptcy estate (the "Estate").

- C. After reviewing the Debtor's available documents, the Trustee concluded that a potential claim existed against Hartz totaling \$104,367.00 (the "Claim") for work allegedly performed by Debtor on various projects for Hartz prior to the commencement of the Bankruptcy Case.
- D. The Trustee made a demand upon Hartz to pay the Claim, however, Hartz denied any liability with respect to the Claim and asserted defenses against the Trustee with respect to the Trustee's ability to collect on the Claim.
- E. Thereafter, the Trustee and Hartz (collectively the "Settling Parties") reached a settlement with respect to the Claim as set forth in further detail in the Settlement Agreement attached hereto as Exhibit "A". Pursuant to the Settlement Agreement, Hartz has agreed to pay to the Trustee the sum of Thirty Five Thousand Dollars (\$35,000.00) (the "Settlement Payment"). Further, the Settling Parties have agreed to mutually release each other from any and all obligations, claims, and demands of any kind whatsoever, at law or

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In re: J. Scrofani Construction Corp.

Case No.: 17-19984 (RG)

Caption: Order Pursuant to 11 U.S.C. § 363 and § 502 and Fed. R. Bankr. P. 9019 for

Approving Settlement and for Other Related Relief

in equity, direct or indirect, known or unknown, discovered or undiscovered, arising out of, by reason of, or relating to the Claim

F. In addition to the release of claims, Hartz is forever barred, estopped, and enjoined from filing a proof of claim or requesting payment in the form of an administrative claim in the Debtor's case and any proofs of claim filed by Hartz shall be barred from participation in any distribution to creditors.

- G. The Trustee has articulated good and sufficient business judgment to support this Court's approval of entry of an Order approving a settlement with respect to the Claim between the Trustee and Hartz granting such other and further relief as the Court may find just and proper under the circumstances.
- H. The terms of the Settlement are fair and reasonable and satisfy the requirements of Fed. R. Bankr. P. 9019, including, but not limited to, the requirements set forth in *In re Martin*, 91 *F.3d* 389, 393 (3d Cir. 1996).

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In re: J. Scrofani Construction Corp.

Case No.: 17-19984 (RG)

Caption: Order Pursuant to 11 U.S.C. § 363 and § 502 and Fed. R. Bankr. P. 9019 for

Approving Settlement and for Other Related Relief

### IT IS THEREFORE ORDERED THAT:

1. The Trustee's Motion is hereby GRANTED, and all objections to the Motion, if any, which have not been withdrawn are overruled.

- 2. Hartz shall pay the Trustee \$35,000.00 within ten (10) days of its receipt or an entered copy of this Order.
- 3. The Settlement Agreement attached to this Order as Exhibit "A" is APPROVED.
- 4. The Bankruptcy Court retains exclusive jurisdiction (a) to enforce and implement the terms and provisions of the Settlement Agreement, all amendments thereto, any waivers and consents thereunder, and any agreements executed in connection therewith; (b) to resolve any disputes, controversies or claims arising out of or relating to the Settlement Agreement; and (c) to interpret, implement and enforce the provisions of this Order.
- 5. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a).

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United States Bankruptcy Court District of New Jersey

In re: J. Scrofani Construction Corp. Debtor

Case No. 17-19984-RG Chapter 7

#### CERTIFICATE OF NOTICE

District/off: 0312-2 User: admin Page 1 of 2 Date Rcvd: Mar 23, 2020 Form ID: pdf903 Total Noticed: 1

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on

+J. Scrofani Construction Corp., 20 West Sunset Road, Pompton Plains, NJ 07444-1105

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center. NONE. TOTAL: 0

\*\*\*\*\* BYPASSED RECIPIENTS \*\*\*\*\*

NONE. TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Transmission times for electronic delivery are Eastern Time zone.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Mar 25, 2020 Signature: /s/Joseph Speetjens

#### CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on March 23, 2020 at the address(es) listed below:

Allen J. Underwood, II on behalf of Plaintiff Eric R. Perkins ajunderwood@beckermeisel.com, ajunderwood@ecf.courtdrive.com

Catherine E. Youngman on behalf of Plaintiff Eric Perkins cyoungman@foxrothschild.com,  ${\tt NJ54@ecfcbis.com;cbrown@formanlaw.com;cyoungman@formanlaw.com;}\\$ 

Charles Virginia on behalf of Creditor New Jersey B.A.C. Health Fund cvirginia@vandallp.com, mtenenbaum@vandallp.com

Deirdre E. Burke on behalf of Defendant Mercedes-Benz Financial Services USA, LLC dburke@mccarter.com

Deirdre E. Burke on behalf of Creditor Mercedes-Benz Financial Services USA LLC dburke@mccarter.com

Eric R. Perkins eperkins@mdmc-law.com,

nj42@ecfcbis.com;tcolombini@becker.legal;eperkins@becker.legal

Eric Raymond Perkins on behalf of Trustee Eric R. Perkins eperkins@becker.legal,

nj42@ecfcbis.com;tcolombini@becker.legal;eperkins@becker.legal

J. Alex Kress on behalf of Trustee Eric R. Perkins akress@becker.legal, mambrose@becker.legal;akress@ecf.courtdrive.com

J. Alex Kress on behalf of Plaintiff Eric R. Perkins akress@becker.legal,

mambrose@becker.legal;akress@ecf.courtdrive.com

J. Alex Kress on behalf of Spec. Counsel Becker LLC akress@becker.legal,

mambrose@becker.legal;akress@ecf.courtdrive.com

Jeffrey Thomas Testa on behalf of Creditor Mercedes-Benz Financial Services USA LLC

jtesta@mccarter.com, lrestivo@mccarter.com Jeffrey Thomas Testa on behalf of Defendant

jtesta@mccarter.com, lrestivo@mccarter.com on behalf of 3rd Party Plaintiff Mercedes-Benz Financial Services USA,

Jeffrey Thomas Testa

LLC jtesta@mccarter.com, lrestivo@mccarter.com Jeffrey Thomas Testa on behalf of Cross-Claimant Mercedes-Benz Financial Services USA, LLC

Mercedes-Benz Financial Services USA, LLC

jtesta@mccarter.com, lrestivo@mccarter.com Joseph A. Caneco

on behalf of Trustee Eric R. Perkins jcaneco@foxrothschild.com on behalf of Plaintiff Eric Perkins jcaneco@foxrothschild.com Joseph A. Caneco

Joseph M. Aronds on behalf of Unknown Role Type Hartz Mountain Industries, Inc.

joseph.aronds@hrplaw.com

Kathleen M Aiello on behalf of Trustee Eric R. Perkins kaiello@foxrothschild.com,

dfiore@foxrothschild.com

Mark E. Hall on behalf of Trustee Eric R. Perkins mhall@foxrothschild.com,

cbrown@foxrothschild.com

Mark E. Hall on behalf of Plaintiff Eric Perkins mhall@foxrothschild.com,

cbrown@foxrothschild.com

Martin Cabalar on behalf of Creditor Grandview II at Riverwalk Port Imperial Condominium Association, Inc. mcabalar@bplegal.com,

shanzouti@bplegal.com;vmogavero@bplegal.com;sklein@bplegal.com

Martin Fojas on behalf of Creditor New Jersey B.A.C. Health Fund fojasm@gtlaw.com

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Form ID: pdf903 Total Noticed: 1

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system (continued)

Michael R. Herz on behalf of Trustee Eric R. Perkins mherz@foxrothschild.com, cbrown@foxrothschild.com

Michael R. Herz on behalf of Defendant Mercedes-Benz Financial Services USA, LLC mherz@foxrothschild.com, cbrown@foxrothschild.com

Michael R. Herz on behalf of Plaintiff Eric Perkins mherz@foxrothschild.com,

cbrown@foxrothschild.com

Ralph A Ferro, Jr on behalf of Debtor J. Scrofani Construction Corp. ralphferrojr@msn.com Risa Michele Chalfin on behalf of Unknown Role Type K. Hovnanian at Port Imperial Urban Renewal III LLC; K. Hovnanian/Shore Acquisitions, LLC; K. Hovnanian Construction Management, Inc.; K. Hovnanian Companies, LLC; K. Hovnanian Companies Northeast, In rchalfin@wilentz.com

Robert A. Rich on behalf of Defendant Capital One Bank rrich2@hunton.com Robert D. Towey on behalf of Trustee Eric R. Perkins rtowey@becker.legal Scott J. Freedman on behalf of Creditor PNC Bank, National Association sfreedman@dilworthlaw.com

Seth Ptasiewicz on behalf of Creditor New Jersey Building Laborers Statewide Benefit Funds sptasiewicz@krollfirm.com

Tyler Kandel on behalf of Defendant JPMorgan Chase Bank, N.A. tkandel@sillscummis.com, mdelgiudice@sillscummis.com

U.S. Trustee USTPRegion03.NE.ECF@usdoj.gov

Vipin Varghese on behalf of Creditor Trustees of the International Union of Operating Engineers Local 825 Employee Benefit Funds vvarghese@decotiislaw.com, plaureano@decotiislaw.com;dcaceres@decotiislaw.com;mdiaz@decotiislaw.com

TOTAL: 34